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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

AUG 24 2016

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DOUG LITTLE – Chairman  
BOB STUMP  
BOB BURNS  
TOM FORESE  
ANDY TOBIN

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
SOUTHWEST GAS CORPORATION FOR THE  
ESTABLISHMENT OF JUST AND REASONABLE  
RATES AND CHARGES DESIGNATED TO  
REALIZE A REASONABLE RATE OF RETURN  
ON THE FAIR VALUE OF THE PROPERTIES OF  
SOUTHWEST GAS CORPORATION DEVOTED  
TO ITS ARIZONA OPERATIONS.

DOCKET NO. G-01551A-16-0107

PROCEDURAL ORDER

**BY THE COMMISSION:**

On March 21, 2016, Southwest Gas Corporation (“SWG” or “Company”) filed with the Arizona Corporation Commission (“Commission”) a Notice of Intent to File a Rate Case Application on or about May 2, 2016.

On June 27, 2016, a Procedural Order was issued scheduling this matter for hearing to commence on February 6, 2017, and establishing other procedural deadlines.

On June 29, 2016, with the agreement of Staff and RUCO, SWG filed a Motion for Modifications to Procedural Schedule.

On July 6, 2016, a Procedural Order was issued which, among other things, granted SWG’s Request and extended the deadline for filing Staff and intervenor direct testimony on rate design issues from December 7, 2016 to December 14, 2016, and extended the deadline for mailing and publication to be completed from August 1, 2016 to August 10, 2016.

Also, on July 6, 2016, SWG filed a Consent to Email Service.

On July 7, 2016, by Procedural Order, SWG’s Consent to Service by Email was granted.

On August 3, 2016, Desert Valley Natural Gas, LLC (“Desert Valley”) filed an Application for Intervention. Desert Valley states that it is a “limited liability company formed to act as an agent for natural gas customers who choose to secure their own natural gas.” Desert Gas claims that it will be substantially affected by the outcome of this proceeding and that no other entity can adequately

1 represent its interests.

2       On August 15, 2016, SWG filed an Opposition and Response to Desert Valley's Motion to  
3 Intervene stating Desert Valley is seeking to establish a new program in Arizona whereby it would  
4 aggregate multiple utility customers and purchase natural gas on their behalf. SWG claims that Desert  
5 Gas does not meet the criteria for intervention in R14-3-105 of the Arizona Administrative Code  
6 ("A.A.C.") because Desert Valley has not demonstrated that it will be directly and substantially  
7 affected; Desert Valley's ability to serve SWG customers is not directly and substantially affected by  
8 any issue or possible outcome in this proceeding; and Desert Valley is attempting to interject an entirely  
9 new issue into the proceeding. SWG claims that the issues Desert Valley seeks to raise are more  
10 appropriately addressed through a rulemaking proceeding in which a framework for aggregation could  
11 be addressed. SWG argues that injecting the issue of customer aggregation into SWG's rate case is  
12 procedurally improper, would expend the issues currently presented, and would create an immense  
13 burden on the parties and the Commission.

14       On August 17, 2016, Desert Valley filed a Reply stating that it will be directly and substantially  
15 affected by how the Commission addresses SWG's proposed Schedule No. T-1. Desert Valley claims  
16 that as proposed, Schedule No. T-1 is discriminatory because it allows only small commercial  
17 customers affiliated with an existing SWG industrial customer to choose their own natural gas supplier.  
18 Desert Valley asserts that its participation would not unduly broaden the scope of the proceeding and  
19 that SWG's rate case is the proper forum to address the Company's proposed modifications to Schedule  
20 No. T-1 and other tariffs.

21       Desert Valley shall be granted intervention in this proceeding based on its claim that it will be  
22 directly and substantially affected by the Commission's decision regarding SWG's proposed  
23 modifications to the Schedule No. T-1 tariff. To the extent that SWG believes that Desert Valley is  
24 unduly broadening the scope of the proceeding through discovery requests or pre-filed testimony, the  
25 Company may file an appropriate motion seeking relief.

26       **The Commission has implemented a procedure whereby all filings made by a**  
27 **Commissioner, the Commission's Executive Director, or a Commission Division will**  
28 **automatically be served via email on parties who have consented to email service. The email will**

1 contain a link to access the filing online.

2 Parties who do not consent to email service will not be provided documents filed by a  
 3 Commissioner, the Commission's Executive Director, or a Commission Division via an email. In  
 4 addition, they may not be able to receive some documents, such as Amendments to Open Meeting  
 5 Agenda items.

6 IT IS THEREFORE ORDERED that Desert Valley Natural Gas, LLC is hereby granted  
 7 intervention.

8 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
 9 Communications) applies to this proceeding and shall remain in effect until the Commission's Decision  
 10 in this matter is final and non-appealable.

11 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
 12 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

13 IT IS FURTHER ORDERED that, as permitted under A.A.C. R14-3-107(B), each party to this  
 14 matter may opt to receive service of all filings in this docket, including all filings by parties and all  
 15 Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the  
 16 Commission's Hearing Division, via email sent to an email address provided by the party rather than  
 17 via U.S. Mail. **To exercise the email service option, a party shall:**

- 18 1. Ensure that the party has a valid and active email address to which the party has regular  
 19 and reliable access ("designated email address");
- 20 2. Complete a Consent to Email Service using the form available on the Commission's  
 21 website ([www.azcc.gov](http://www.azcc.gov)) or a substantially similar format;
- 22 3. File the original and 13 copies of the Consent to Email Service with the Commission's  
 23 Docket Control, also providing service to each party to the service list;
- 24 4. Send an email, containing the party's name and the docket number for this matter, to  
 25 [HearingDivisionServicebyEmail@azcc.gov](mailto:HearingDivisionServicebyEmail@azcc.gov) from the designated email address, to allow  
 26 the Hearing Division to verify the validity of the designated email address;
- 27 5. Understand and agree that service of a filing on the party shall be complete upon the  
 28 first of the following to occur: (1) the sending, to the designated email address, of an

1 email containing an electronic copy of the filing or a link to access the filing online; or  
2 (2) for a filing made by a Commissioner, the Commission's Executive Director, or a  
3 Commission Division, the making of the filing with a service certification including  
4 coding indicating that an automatic service email for the filing shall be sent to each party  
5 whose consent to email service has been approved;

6 6. Understand and agree that the party may provide additional email addresses on the  
7 Consent to Email Service for individuals to whom the party desires to have service  
8 emails sent as a courtesy, but that these courtesy email addresses are not the designated  
9 email address and will not be verified; and

10 7. Understand and agree that the party will no longer receive service of filings in this  
11 matter through First Class U.S. Mail or any other form of hard-copy delivery, unless  
12 and until the party withdraws this consent through a filing made in this docket.

13 **IT IS FURTHER ORDERED that a party's consent to email service shall not become**  
14 **effective until a Procedural Order is issued approving the use of email service for the party. The**  
15 **Procedural Order shall be issued only after the party has completed steps 1 through 4 above, and**  
16 **the Hearing Division has verified receipt of an email from the party's designated email address.**

17 **IT IS FURTHER ORDERED that a party's election to receive service of all filings in this**  
18 **matter via email does not change the requirement that all filings with the Commission's Docket**  
19 **Control must be made in hard copy and must include an original and 13 copies.**

20 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or  
21 waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
22 hearing.

23 DATED this 24<sup>th</sup> day of August, 2016.

24  
25 

26 DWIGHT D. NODES  
27 CHIEF ADMINISTRATIVE LAW JUDGE  
28

On this 24<sup>th</sup> day of August, 2016, the foregoing document was filed with Docket Control as a Procedural Order – Regarding Intervention, and copies of the foregoing were mailed on behalf of the Hearing Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission’s eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

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